(d) The National Council of Applied Economic Research (NCAER) have been commissioned by the Ministry of Petroleum and Natural Gas to undertake the first-ever study of kerosene demand in the country.

**Procurement and Distribution of Grains**

3905. DR. T. SUBBARAMI REDDY:
SHRI JESUDASU SEELAM:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether State Food Ministers have agreed to undertake procurement and distribution of grains through their designated agencies and co-operatives as the Central Government agreed to render a package of incentives;

(b) if so, whether the package of incentives was proposed in the Conference of State Food Secretaries;

(c) the other decisions taken;

(d) to what extent this proposal has been helpful for States on procurement and distribution; and

(e) to what extent incentives have been provided to these States by the Centre?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir. As per the recommendations of the Conference of State Food Ministers, the State Governments/UTs Administrations have been, *inter-alia,* requested to procure foodgrains under the Decentralized Procurement Scheme so as to make the Public Distribution System more cost-effective as well as to cater to local taste.

(b), (d) and (e) In pursuance of the decision of the Conference of State Food Secretaries the following additional components of costs have been sanctioned for procurement by State agencies under the Decentralized procurement scheme:

(i) Transportation cost from the procurement centre to the storage point and from the storage point to the milling point;

(ii) Commission to societies at 1% of MSP;

(iii) Payment of cost towards transportation of gunnies from rail heads to procurement centres; and

(iv) Enhancement of milling rate of parboiled rice from Rs. 15 per quintal to Rs. 20 per quintal.

This has helped in enhanced procurement of paddy/rice in KMS 2004-05 in the States undertaking Decentralized procuremennt compared to KMS 2003-04.

(c) As per the other recommendations of the Conference of States Food Minister, all the State Government/UT Administrations have been instructed to ensure that all families at the risk of hunger including migrant labour/displaced persons/homeless population are issued ration entitlement authority slips; priority is given to Cooperatives of women and Ex-servicemen in the matter of alloting Fair Price Shops; priority is given in the alloting of Fair Price Shops to the legal heirs of a Fair Price licensing publicizing the information about the scale of issue, the price of foodgrains, availability, etc.

**Diversion of foodgrain meant for BPL familes**

†3906. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the Department of Programme Evaluation under Planning Commission has found that 50 per cent of the foodgrains supplied for people below poverty line has been sold elsewhere during 2003-04;

(b) if so, the fact in this regard and Government's reaction thereto; and

(c) whether steps have been taken by Government to plug the said loophole during 2004-05 and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD

†Original notice of the question was received in Hindi.